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THE CUBAN SITUATION

The Castro government has continued its pressure on American business interests in Cuba and its verbal attacks on United States policies and officials. These moves are accompanied by efforts to gain international stature through the projected conference of underdeveloped nations in Havana this summer.

Ambassador Bonsal's personal popularity among Cubans contrasts with the denunciations by Castro officials and the government-subsidized press and the charges that he "conspires with traitors and assassins." Extensive personal attacks on President Eisenhower and other high officials by government-controlled media increase and decrease in volume in apparent accordance with the political pressures of the Cuban domestic scene.

After eight months of extralegal seizures of large areas of private land, much of it American-owned, the Castro government has actually begun expropriation proceedings, but there is still no indication that proper compensation will ever be made.

According to "Che" Guevara, pro-Communist president of Cuba's National Bank, foreign banks will no longer be per-

mitted to rediscount with the National Bank their crop loans to either American- or Cuban-owned sugar companies. While this action appears primarily to discriminate against American banks in a move to force them to bring in desperately needed dollars for loans, it could also be a prelude to depriving all private banks of the profitable and traditional short-term loans to sugar companies. It could be a step toward nationalization of the entire banking system, one of Castro's early stated objectives.

The government, in a strong curb on private business, has also issued regulations putting control of all changes of employment under the Labor Ministry.

Foreign Minister Raul Roa, who has been on tour to invite Asian and African countries to the "hungry nations" conference, reports an "enthusiastic response." Nasir, Tito, and Sukarno have indicated that they will visit Cuba, although not necessarily in connection with the conference. Morocco, Tunisia, and the Sudan initially have indicated disinterest.

Roa's plans for the conference appear vague, and even Nasir reportedly suspects that

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it may be primarily a political gambit to enhance Castro's regime. On advice from Asian and African leaders, Roa has decided to exclude Israel, European countries, and Communist China or any other non-UN nation. Haiti, the Dominican Republic, Nicaragua, and Paraguay probably will be excluded as dictatorships. The UN secretariat has denied the conference will be held under its auspices, as Roa has implied, and as a matter of principle the UN could not associate itself with a meeting which discriminates against member governments.

In Latin America, where a touring delegation is issuing the invitations, the conference response has been generally wary and the delegates are reportedly discouraged. Venezuelan President Betancourt evidently expressed a lack of confidence in Castro and told the Cubans their government was beginning to resemble that of the Dominican Republic. A Cuban radio station announced on 27 January that Brazil had definitely refused to attend the conference--an action which will discourage attendance by other Latin American countries.

Because of Betancourt's reputation as a foe of dictatorships, any public knowledge of the official Venezuelan coolness toward Castro could have a dam-

aging effect on Castro's prestige in the hemisphere. It would also be a blow to Communists, leftists, and extreme nationalist groups in Latin America who have lumped together the Venezuelan and Cuban regimes as symbols of anti-imperialism in order to promote anti-US sentiment and other objectives.

In another move toward closer relations with Communist and neutral countries, the Castro-subsidized press service, Prensa Latina, concluded news exchange agreements on 20 January in Havana with representatives of news agencies from the USSR, UAR, Communist China, Poland, Czechoslovakia, Bulgaria, Yugoslavia, East Germany, Indonesia, and Japan. Prensa Latina frequently appends its own date and source line to stories originating from these sources. Its emphasis on Latin American affairs and on world news of interest to the hemisphere, plus its generous free services, have contributed to Prensa Latina's rapid expansion, although there is already suspicion in other countries of Communist influence on its personnel and output.

Prensa Latina's latest move is an attempt to liken President Eisenhower's 26 January press statement of policy on Cuba to official US statements prior to the Guatemalan revolution of June 1954.